

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Postal Regulatory Commission
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VALASSIS NSA

Docket No. MC2012-14

Docket No. R2012-8

RESPONSE OF SAN FRANCISCO CHRONICLE TO NOTICE OF INQUIRY NO. 1

The San Francisco Chronicle is a 7-day a week newspaper that distributes an average of 229,176 newspapers during the week and an average of 296,874 newspapers on Sunday, with a majority of the distribution in the 9-county San Francisco DMA.

We submit this declaration in support of NAA's Response to Notice of Inquiry No. 1

Being a vendor that distributes advertising inserts, the San

Francisco Chronicle opposes the Valassis NSA. If approved, the Valassis NSA as could drive out substantial revenues from the newspaper which are absolutely critical in providing high-quality and in-depth original news reporting in the San Francisco Bay Area.

1. For fiscal year 2010, we estimate that advertising inserts for durable and semi-durable goods from national retailers represented 12.54% of total advertising revenues (including ROP, classified, and digital advertising), 14.88% of total print advertising revenue, and 88.95% of total preprint advertising revenue.
2. For fiscal year 2011, we estimate that advertising inserts for durable and semi-durable goods from national retailers represented 11.63% of total advertising revenues (including ROP, classified, and digital advertising), 14.99% of total print advertising revenue, and 88.98% of total preprint advertising revenue.

3. The San Francisco Chronicle does not have a Total Market Coverage product for non-subscribers.

"I declare under penalty of perjury that the foregoing is true and correct. Executed on (July 28, 2012"

A handwritten signature in black ink, appearing to be 'J. Bergin', followed by a long horizontal flourish line extending to the right.

Jeff Bergin
Senior Vice President of Advertising
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